S. HRG. 99-946

NOMINATION OF JIM R. BILLINGTON

HEARING

BEFORE THE

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY UNITED STATES SENATE

NINETY-NINTH CONGRESS

SECOND SESSION

ON

THE NOMINATION OF JIM R. BILLINGTON, OF OKLAHOMA, TO BE A MEMBER OF THE FARM CREDIT ADMINISTRATION BOARD, FARM CREDIT ADMINISTRATION

SEPTEMBER 24, 1986

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NOMINATION OF JIM R. BILLINGTON

WEDNESDAY, SEPTEMBER 24, 1986

U.S. SENATE,
COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY,
Washington, DC.

The committee met, pursuant to notice, at 10:10 a.m., in room 332, Russell Senate Office Building, Hon. Jesse Helms (chairman of the committee) presiding.

Present: Senators Helms, McConnell, Zorinsky, Leahy, and Boren.

STATEMENT OF HON. JESSE HELMS, A U.S. SENATOR FROM NORTH CAROLINA

The CHAIRMAN. The committee will come to order. The committee meets this morning to consider President Reagan's nomination of Jim Billington, of Oklahoma, to be a member of the Farm Credit Administration Board. If confirmed, Mr. Billington will fill the final slot on the three-member Board that was set up in the Farm Credit Amendments Act of 1985.

I had an opportunity to chat briefly with Mr. Billington, and we have gone over his papers and so forth, and, since he is going to be so well introduced, I'm going to not introduce you.

We have the two distinguished Senators from Oklahoma. We are delighted to have them here. Senator Boren, of course, is a member of this committee, and Don Nickles—sometimes I feel like he's a member because he's so interested in agriculture.

We will proceed with Mr. Boren, and then Mr. Nickles.

STATEMENT OF HON. DAVID L. BOREN, A U.S. SENATOR FROM OKLAHOMA

Senator BOREN. Well, thank you very much, Mr. Chairman. I'm very pleased to have my colleague from Oklahoma here with me this morning. It indicates the very strong support that both of us have for this nominee, and I am pleased to be able to officially introduce to the committee a long time friend of mine and a distinguished Oklahoman, Jim Billington.

Jim is a farmer and rancher from southwestern Oklahoma, raising wheat, cotton, and feed grains, and he maintains a cow-calf operation. He's been an agricultural leader for many years. He first served as president of the Oklahoma Wheatgrowers from 1977 to 1979, and his hard work and dedication to the organization gained him the presidency then of the National Wheatgrowers Association, in which capacity he served from 1981 to 1982. We saw a good

bit of him as members of this committee during that period of time. He was a very effective spokesman for that organization and for agriculture in general.

He presently serves as president of the National Association of Wheatgrowers Foundation, the educational arm of the National Association of Wheatgrowers.

In addition to his work with the Wheatgrowers, he served as a board member of the Federal Grain Inspection Service Advisory Committee from 1982 to 1984.

Jim is going to be a tremendous asset to the Farm Credit Administration Board not only from the standpoint of his extensive knowledge of agriculture—and, as you can see, he's been an active part of it, a participant, earning his livelihood through agriculture—but also from his vast knowledge of agricultural credit. He served as a president and chief executive officer of a bank and a production credit association. So he has tremendous firsthand experience with the agricultural credit system. He has also served as an examiner for the Federal Intermediate Credit Bank, the Ninth Farm District, Wichita, KS.

Mr. Chairman, we have waited a long time for the nomination of the third member of the Farm Credit Administration Board. For several months the Board has operated with only two members, and there are many of us who feel very strongly about getting the third member on the Board as soon as possible. I know the other members who are already there are anxious to have that third member of the Board ready and able to serve.

So I urge my colleagues to approve the nomination of Jim Billington at the earliest possible moment.

Mr. Chairman, I'm sure you can understand why we are very proud of Jim's accomplishments for agriculture and for our State of Oklahoma, and I enthusiastically recommend him to you and to all the other members of the committee.

I would just say parenthetically that I've known Jim for many, many years, and when I want to get advice on agricultural issues—I'm sure all of us in the Senate have this experience: There are two or three people back in our home States on a certain subject that we feel have not only the expertise but the objectivity to tell us the way it really is, not to shade the truth but to give us the straight facts. Jim Billington is that kind of man. I've turned to him again and again for advice, and I am just extremely pleased by this nomination.

The CHAIRMAN. Very fine statement, Dave.

STATEMENT OF HON. DON NICKLES, A U.S. SENATOR FROM OKLAHOMA

Senator NICKLES. Mr. Chairman, thank you, and it's a pleasure to be before your committee again and join with my friend and colleague, Senator Boren, with the strong recommendation of Jim Billington to serve on the Farm Credit Administration Board.

Mr. Chairman, if you don't mind, I will just submit my statement and make a couple of comments in addition to what Senator Boren had to say.[1]

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[1] See p. 12 for the prepared statement of Senator Nickles.

Jim Billington, in my opinion, is uniquely qualified to serve on the Farm Credit Administration Board and at a time when we desperately need an individual of his talents. I say uniquely qualified, because he really does have the experience working with the Farm Credit System—he was president of the Woodward PCA for 8 years; he's also been president of a bank; he also served as an examiner for the Farm Credit System.

So if you put those things together, coupled with the fact that he's an Oklahoma wheatgrower, he's an Oklahoma cotton grower, he's a farmer, he's a rancher—and he still is—so he's been through these times. He's seen the system from within; he's also been able to see the system on the outside. He also has proven leadership abilities. To be president of the Oklahoma Wheatgrowers Association I think is a very good accomplishment; to be president of the National Wheatgrowers Association is even a greater accomplishment.

We certainly have been proud of his leadership on agriculture issues, and also his experience in the Farm Credit System. It's a fact that the Farm Credit System is going through some very, very difficult times right now—probably the most difficult struggle that it's had since its inception. We looked at losses last year of, what, $2.7 billion, and this year probably in somewhat the same range. Therefore a lot of real problems throughout the farm belt, and particularly with ag credit. We have seen the explosion of ag credit through the seventies—and now we have seen the real difficulty in cash flow. I think Jim Billington, probably better than most anyone that I can think of, has the experience, both from serving as an examiner, president of the PCA—he's seen those loans increase, et cetera, he's president of a bank as well, and then also as a farmer and leader of a national group such as the National Wheatgrowers—I think this uniquely qualifies him. I don't think the administration could have made a better selection for the third member. He has my wholehearted support; he has had for some time. I am glad that we are finally getting around to filling this third position; I think they need that—I think Mr. Naylor and Mr. Duncan need his type of expertise, and I think he will be a true asset to the entire agricultural community throughout the United States.

The CHAIRMAN. Thank you, Don. Mr. Billington, I've been around this place for nearly 14 years, and I've never heard a nominee presented so eloquently as you have just been. I know you are very proud of what your two Senators have said about you.

Mr. BILLINGTON. Yes; I am.

The CHAIRMAN. Speaking of being proud of things, I think Mrs. Billington ought to stand up.

We are glad to have you here.

Mr. BILLINGTON. I'm proud of my wife.

The CHAIRMAN. Yes, sir.

Mr. BILLINGTON. She's my partner.

[Mrs. Billington stands.]

Senator BOREN. I meant to say, Mr. Chairman, that a lot of that good advice I got from Jim actually came from June. I've known that for a long time.

The CHAIRMAN. Mrs. Billington, if these buzzers and all that sort of thing have attracted your attention—the lights up there, there are six lights, plus the one that's on, and how many of them and which ones are on at a given time tell us what's going on on the floor. And right outside the Senate Chamber the bells are particularly loud—they'll lift you out of your socks.

Howard Baker tells the story about two little old ladies from upstate New York who came to Washington for the first time—and they did it all: the Smithsonian, the Washington Monument, the Jefferson Memorial, and all the rest of it—and they ended up up here, ended up just outside the Senate Chamber just as five blasts of the bell occurred, and it frightened them. One turned to the other and said "Sister, what do you suppose is going on?" The other said: "I don't know, but maybe one of them escaped."

Well, Mr. Billington, this has not been a good time to be a farmer and not a good time to be in the lending business. I admire your perspicacity. Back during the drought in North Carolina before the disaster became a disaster, two of our farmers were talking one day and one of them said "If it doesn't rain pretty quick, I'm going to have to rob a bank," and the other said "If it doesn't rain pretty quick, I've already robbed one."

So I've got a couple of questions before you venture your statement.

If your nomination is approved by this committee and the Senate, do you promise to respond to requests to appear and testify before this committee and/or any other duly constituted committee of the Senate?

Mr. BILLINGTON. Yes, sir; I certainly will.

The CHAIRMAN. If you're confirmed by the Senate, will you faithfully execute the laws passed by Congress regardless of any prior statement you may have made or biases you may have held?

Mr. BILLINGTON. I certainly will.

The CHAIRMAN. Thank you very much. Now we will be glad to hear from you.

Senator MCCONNELL. Mr. Chairman, if I may, before you start with the witness, could I just have my statement inserted in the record?

The CHAIRMAN. Certainly—I'm sorry.

Senator MCCONNELL. Please go ahead.

Senator ZORINSKY. Mr. Chairman, in the interest of time, I ask that my statement be made a part of the record.

The CHAIRMAN. Yes. Senator Zorinsky and Senator McConnell, I apologize. I was too busy telling jokes here to notice your arrival.

Senator MCCONNELL. I'm sorry I missed them.

The CHAIRMAN. Thank you very much. Without objection, these statements will be made a part of the record.[2]

You may proceed, Mr. Billington.

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[2] See p. 11 for the prepared statement of Senator McConnell and p. 11 for the prepared statement of Senator Zorinsky.

STATEMENT OF JIM R. BILLINGTON, MEMBER-DESIGNATE, FARM CREDIT ADMINISTRATION BOARD, FARM CREDIT ADMINISTRATION

Mr. BILLINGTON. Mr. Chairman, I'm certainly honored to appear before this distinguished committee today. I have a very short statement that I would just like to enter into the record.[3] I, too, am very honored to have two distinguished Senators from Oklahoma to introduce me today, and these people have represented us very well in Oklahoma. It's been an honor and a privilege to work with them.

Mr. Chairman, I am concerned about the financial condition of agriculture. I think farmers and ranchers are suffering financially in this country, as we are all aware, and certainly rural America and their cooperatives suffer when farmers suffer.

I do have many years experience in agriculture finance. I've a lot of experience working with farmers and have been associated with them in the legislative arena.

I certainly have enjoyed my farming and ranching experience, which is ongoing at the present time. I've had a lot of experience borrowing money also, and I know what it is to borrow it and to repay it.

I believe this background has convinced me very definitely that a dependable and a viable Farm Credit System is a vital necessity to American agriculture and to the American economy.

I assure this committee that I will work hard to see that all involved in the FCA and, where appropriate, the Farm Credit System, strive to carry out the policies and objectives of the Farm Credit Act of 1971 and its amendments.

Thank you, sir.

The CHAIRMAN. Thank you, sir. I do have two or three questions. The last one is going to be the first one. You like the way Oklahoma plays football, don't you? [Laughter.]

Mr. BILLINGTON. Yes, sir.

Senator ZORINSKY. I don't. [Laughter.]

The CHAIRMAN. I set that one up, you know—I'm a straight man for Ed Zorinsky.

Senator BOREN. He's for us this week—Ed's for us this week.

Mr. BILLINGTON. Yes; we're in the same conference.

The CHAIRMAN. Let's talk about arm's-length regulators just a minute. What are your views on what an arm's-length regulator should be.

Mr. BILLINGTON. Well, I think I have a very simple statement to make about an arm's-length regulator. As long as the Farm Credit System and the entity that is involved is going along fine and doing the things that it should do to serve the principles that it was set up to serve, as long as it's carrying out the policies of its bylaws and it's a viable institution and it's serving the farmers in the area that it is chartered to serve, I think FCA will be an arm's-length regulator.

When it's not accomplishing its goals, as banks that get in trouble and fail, I think we may have a little different posture than

[3] See p. 12 for material pertaining to the Mr. Billington.

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arm's length. I think that's what the Senate and the House and the administration intended with the Farm Credit Amendments Act of 1985, that we are an arm's-length regulator to the System and we should remain so; when that entity or that group run into problems, then I think FCA regulators will need to step in and help change the things that need to be changed, to bring them back into conformity with whatever their chartered responsibilities and authorites are.

The CHAIRMAN. To what extent do you think the Farm Credit Administration ought to be involved in such things as setting interest rates?

Mr. BILLINGTON. Well, I really think, when you look at the Farm Credit Administration setting interest rates is the only tool they have to help raise Farm Credit System capital through the income that the System receives from the loans that they make to their farmer members and cooperatives. The soundness of the System is very important, so if an entity of the Farm Credit System is a sound and ongoing operation in normal times, I would say that Farm Credit Administration should have very little reason to want to become involved in the management of interest rates or the setting of interest rates. I think as long as the institutions are sound and running along fine, then it's up to that entity to decide what rates they charge to be competitive and how they can remain a sound and viable institution.

The CHAIRMAN. As you know, there's been a lot of talk about the need and timing of some sort of Federal assistance for the System. In light of the guidelines set down in last year's amendments for such assistance, what would it take to convince you that the System has fully utilized its resources and is eligible for such assistance?

Mr. BILLINGTON. Well, I think, Senator, what would convince me—after the System had utilized all the capital within the System to remain viable, and there was any danger that the availability of the funds through the funding agency, if its activities were impaired in any way due to lack of capital within the System, then I think that I would be very convinced that it would need assistance from the Congress and from the Treasury.

The CHAIRMAN. I may have one or two other questions.

Senator Zorinsky, ranking minority member on this committee, and a great Senator—I wonder if he has any questions.

Senator ZORINSKY. Thank you, Mr. Chairman. I would like to ask Mr. Billington a question. Incidentally, I believe that Mr. Billington is eminently qualified for membership on the Board.

Mr. BILLINGTON. Thank you, Senator.

Senator ZORINSKY. You have my wholehearted support. Mr. Billington, do you believe that the Farmers Home Administration interest rate buy-down program has been effectively used by the Farm Credit System institutions to reduce the interest rates they charge to their borrowers?

Mr. BILLINGTON. With my knowledge, which is rather limited to what's happening in my general area, and what I have heard here in committee this past week, I would say that this buy-down program probably has not been utilized by the Farm Credit System as much as it should have been in the past. I think that the associa-

tions should utilize this program now that it has been changed and streamlined. I understand that the program now does not have as much redtape as prior. And if they can get 90 percent of the loan guaranteed, then that should certainly help them from impairing their capital.

Senator ZORINSKY. If you discover that legislative changes might be necessary to make the interest rate buy-down program more effective, would you recommend those to us?

Mr. BILLINGTON. I certainly think that that would be a Board action, and as a member of a three-man Board, my opinion would be, if we could help the Farm Credit System in that method, we certainly, as a Board, will take that action.

Senator ZORINSKY. Thank you.

Senator BOREN [presiding]. Senator Leahy.

Senator LEAHY. I am pleased that the President has finally nominated a third member of the Board. I reviewed Mr. Billington's credentials. They are good ones, But I had all kinds of intense, searching questions. Then I found out that Senator Boren had talked of his strong support of your nomination. That obviated virtually any necessity for questions. I think that most Senators, Republican and Democrat, feel the same: if Dave feels you're good, then you ought to be. And your qualifications for this positioned are good.

I may submit a couple of questions for the record, but I just want to ask one. Would you vote to request Federal capital if it was needed for the FCS?

Mr. BILLINGTON. Yes, I certainly would—to preserve the System, I would.

Senator LEAHY. Thank you.

Senator BOREN. Senator Leahy, are you sure you don't want to make any more comments? [Laughter.]

I see the Chairman has come in.

Senator LEAHY. I said, Mr. Chairman, that I had all these searching, tough, penetrating questions until I found out that Dave Boren had said that Mr. Billington is fine with him. I said, what more can I ask?

Senator BOREN. Mr. Chairman, I have just one comment. I do think the question of capital for the System has been raised, and, of course, all of us hope that the System will be able to work out its problems without our having to have a direct infusion.

But if we do reach the situation where everything has been done that is possible and there has to be some sort of infusion to keep the System afloat, I think all of us would feel strongly that we cannot afford to see the System go down. Of course, historically, that did happen: that was the beginning of the System when we had the depression in this country, the original capital at a time when there was just no private capital available in the whole country for the agricultural sector, the Government did step in and provide what you might call the seed capital, later joined in by the members and the borrowers themselves putting additional capital into the System. And there was a very happy result to that. It was all finally, I believe, in the early sixties—maybe even somewhat earlier—totally paid back in full. You probably know the date.

Mr. BILLINGTON. I think the Federal Land Bank capital was paid back much earlier than that, and then the rest of it was paid back in 1968.

Senator BOREN. Yes, the operating capital—so the full amount was finally paid back by the borrowers, and, given the ups and downs of the agricultural economy, going through that that we are going through, it appears that kind of problem again. So I do think that history is on the side of those that say that this could be done in a very responsible and structured in a responsible way, if it has to be done, if it ever has to be done, that would allow the Government to eventually, when agriculture returns to normal times, recoup any funds that were so invested.

Mr. BILLINGTON. That is definitely my philosophy, Senator, and I think the activities in the System should be borrowing and paying back activities, and no grants or gifts.

Senator BOREN. I think that's what the farmers want.

Mr. BILLINGTON. Yes.

Senator BOREN. I spent a good part of Monday going through all the livestock barns at our State fair. I went to every single exhibitor and talked with every one of them. And, unfortunately, a number of these people—many of them had their children with them, they were FFA prizewinners, these were obviously good strong family people who had worked a long time and had to build up what they had, and it was heartbreaking to hear the number of them that told me that they were on the verge of foreclosure—and, again, none of them were looking for a gift; they just wanted a chance to be able to work it out and eventually pay everything back. And I think that's always been the attitude.

The CHAIRMAN. Do you have anything further to add to the cause?

Mr. BILLINGTON. Well, this is a great honor—and you never get criticized for things you don't say, Senator. [Laughter.]

Senator LEAHY. Following Calvin Coolidge. [Laughter.]

The CHAIRMAN. Sometimes those of us in the Senate are criticized for things we haven't said, you know. I was just thinking, Dave, I was at the Foreign Relations Committee presiding not long ago, and I was sort of in this posture [the Chairman places the gavel against his temple]—and, blip, the photographer took a picture, and they ran it in the paper down home, and, sure enough, there came a letter to the editor saying: I knew Helms was crazy, now I know why—he doesn't know what to do with the gavel, he beats himself over the head with it. [Laughter.]

Well, it's nice to be with you, and I'll say that this has been perhaps the most easygoing hearing we've had for a nominee, which is a measure of the respect in which you are held. We wish you well. I won't presume to speak for other Senators, but this Senator would appreciate your staying in touch with us and coming on up here and let's talk about solutions to problems, as well as problems themselves. So when you have ideas that might be helpful, let's work together, because this problem involving credit in the agricultural sector is an enormous one, and we are all interested in it and want to do what's right.

Well, thank you very much, and, there being no further business to come before the committee, we will adjourn.

[Whereupon, at 10:35 a.m., the committee adjourned, subject to call of the Chair.]

[COMMITTEE NOTE.—On September 30, 1986, the nomination of Mr. Billington was reported to the Senate. October 8, 1986, the nominee was confirmed by the Senate.]

APPENDIX

Statement of Hon. Edward Zorinsky, a U.S. Senator From Nebraska

Mr. Chairman, I am glad that the committee is holding this hearing to consider the nomination of Jim R. Billington, of Oklahoma, to be a member of the Farm Credit Administration Board.

When confirmed, Mr. Billington will fill the final vacancy on that three-member Board. The Board was created by the Farm Credit Amendments Act of 1985 to regulate the institutions of the Farm Credit System. The other two Board members, Frank Naylor, Chairman, and Marvin Duncan have been serving for a number of months now. Having a full complement of members on the Board will enable the Farm Credit Administration to better meet its statutory responsibilities at a time when there are serious financial troubles within the System.

Mr. Billington is well-qualified for membership on the Board. He is a full-time farmer and rancher and a past president and chief executive officer of both a commercial bank and a production credit association. The Farm Credit Administration, the Farm Credit System, and its farmer-rancher members should benefit greatly from his practical experience.

Mr. Chairman, I believe that this nomination is of great importance to the Farm Credit System and that is warrants expedited treatment by the committee. I am hopeful that we will have an expeditious hearing, waive the committee's usual waiting period between the nomination hearing and meeting to vote on the nominee, and meet as soon as possible in executive session to report Mr. Billington's nomination to the Senate.

Statement of Hon. Mitch McConnell, a U.S. Senator From Kentucky

Mr. Chairman, I'll be brief because the urgency of this nomination dictates that this committee should proceed in reporting this nomination as soon as possible. I wholeheartedly endorse Jim Billington for a position on the Farm Credit Administration Board. His nomination will, I'm sure, be a welcome one to this committee.

Jim possesses a number of professional experiences which uniquely qualify him for this position. He has served the Farm Credit System as a loan officer in his native Oklahoma and from all accounts was extremely successful as a district manager. The lender-borrower relationship between Jim and local farmers was very close and even now his Farm Credit area is in relatively sound fiscal position. Jim has indicated that his highest priority as a member of the FCA Board will be to reinstill the confidence in the FCS that farmer borrowers once had. I share his concern and commend him for tackling what I know will be a very difficult task.

In addition, he has served agriculture as a president of the National Association of Wheat Growers. He knows the pain that exists in rural America. He brings unique experience to the Board which currently has a professional public servant, a banker, and soon will have a farmer and former Farm Credit executive. Mr. Chairman, I'm delighted that we finally have a nominee for this position. I commend the President for selecting such an outstanding candidate and I look forward to hearing from him today.

Statement of Hon. Alan J. Dixon, a U.S. Senator From Illinois

Mr. Chairman, I am pleased to be here this morning as the Senate Agriculture Committee considers the nomination of Jim Billington to be a member of the Farm Credit Administration Board.

The problems which face the agricultural sector of our Nation have been compounded by the difficulties within the Farm Credit System. Over the past several

months, I urged the administration to make this final appointment to the Farm Credit Administration Board. It is important to the health of our Farm Credit System that our Farm Credit Administration Board is fully staffed.

It is my hope that the Board can now continue to work toward a viable Farm Credit System.

Thank you, Mr. Chairman.

STATEMENT OF HON DON NICKLES, A U.S. SENATOR FROM OKLAHOMA

Mr. Chairman, it is my pleasure to appear before the committee today to introduce a fellow Oklahoman, Jim Billington, and to recommend swift action to confirm Jim's nomination as a member of the Farm Credit Administration Board.

Jim Billington brings the necessary financial and agriculture tools to the job and more importantly, he has been there. He has been inside the Farm Credit System 8 years as an examiner and as president of a Production Credit Association. He has been and remains inside the agriculture community as a farmer and rancher. Additionally, he has served in a number of agriculture and credit positions, including the Presidency of the National Association of Wheatgrowers.

This hands-on experience provides Jim Billington a unique and valuabale perspective which he can take with him to the Farm Credit Administration. In my opinion, Jim will be able to provide some common sense input that can result in appreciable benefits to the Farm Credit System's cooperative member-borrowers.

Again, I hope the committee and the full Senate can act quickly to complete the three-member Farm Credit Administration Board. With this in mind, I present to the committee, Jim Billington.

STATEMENT OF JIM R. BILLINGTON, MEMBER-DESIGNATE, FARM CREDIT ADMINISTRATION

Mr. Chairman, I am honored to appear before this distinguished committee.

I, too, am very much concerned about the financial condition of agriculture in this nation. Farmers and ranchers are suffering financially, and when they suffer, certainly rural America and their cooperatives suffer.

I have many years of experience in agriculture finance. I was an examiner for the Wichita F.I.C.B.; President and C.E.O. of Woodward P.C.A., Woodward, Oklahoma; and President and C.E.O. of a rural bank at Beaver, Oklahoma.

June and I are now farming and ranching in Southwest Oklahoma at Altus. I have experience in borrowing and repaying farm loans.

This background has convinced me that a dependable and secure farmer-owned Farm Credit System is of vital necessity to the economic health of this nation.

I assure this committee that I will work hard to see that all involved in the F.C.A. and where appropriate the Farm Credit System strive to carry out the policies and objectives of the Farm Credit Act of 1971 and it's amendments.

[The following material pertains to the nomination of Mr. Billington:]

U.S. OFFICE OF GOVERNMENT ETHICS,
Washington, DC, September 17, 1986.

Hon. JESSE A. HELMS,
Chairman, Committee on Agriculture, Nutrition, and Forestry, United States Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by Jimmy R. Billington, who has been nominated by President Reagan for the position of Member of the Farm Credit Administration Board.

We have reviewed the report and have also obtained advice from the Farm Credit Administration concerning any possible conflict in light of the Board's functions and the nominee's proposed duties. Mr. Billington has indicated he is taking steps to

remove himself from the management of his farming operations and to cease involvement in crop insurance sales. Based on these commitments, we believe that Mr. Billington is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

DAVID H. MARTIN, *Director.*

Enclosure.[1]

RÉSUMÉ OF JIM R. BILLINGTON

QUALIFICATIONS

Master of Science Degree, Oklahoma State University, Stillwater, Oklahoma, Agriculture Major.

EMPLOYMENT HISTORY

November, 1978–Present: Full time farmer and rancher, Southwest Oklahoma. Primary crops are wheat, cotton, and feed grains. Stocker cattle for wheat pasture and a small ranch with a hundred cow-calf operation.

July, 1975–November, 1978: President and C.E.O., First National Bank, whose name was changed to Security State Bank, Beaver, Oklahoma. This bank went from being under the Comptroller and in serious financial condition due to violations and poor management to being classified as a Class A Bank, and within two years for the first time in history to the largest bank in Beaver County, Oklahoma.

April, 1967–July, 1975: President and C.E.O., Woodward Production Credit Association, Woodward, Oklahoma. At the time of employment the association had approximately two hundred fifty-nine loans, an outstanding loan volume of approximately six and one half million dollars, and capital structure of approximately two million dollars. At the time of my departure, the association had three hundred twenty borrowers, twenty eight million dollars in loan volume, "it had been as high as thirty-four million dollars", and six and half million dollar capital structure. I supervised ten employees and was totally responsible for the management of those employees, the loans made, and I was also responsible to the Federal Intermediate Credit Bank, Wichita, Kansas, for the documentation, and the preparation of all loans in which they had prior approval authority. Better salary was the reason for resignation.

September, 1966–April, 1967: Examiner, Federal Intermediate Credit Bank, Ninth Farm District, Wichita, Kansas. Within three weeks of employment, I began examining Production Credit Associations in the Ninth Farm Credit District which is composed of five States. I resigned for a larger salary as well as more time with my young family.

September, 1958–September, 1967: Farm Advisor, University of California, Madera County, California. I spent seven years in Madera, California, doing livestock, pasture management, and youth work. In 1964, I was granted a sabbatical leave from the University with two-thirds salary grant at which time I returned to Oklahoma State University, Stillwater, Oklahoma, and was awarded a Master of Science Degree in Agriculture. I returned to California to continue my work with the university for one year. I resigned to become employed by the Federal Intermediate Credit Bank, Wichita, Kansas, because my goals were to become involved in the financial structure of agriculture.

April, 1956–August, 1958: Superintendent, Irrigation Research Station, Oklahoma State University, Lone Wolf, Oklahoma. I managed this research station for two years. I resigned for lack of advancement opportunities as well as for a better salary.

May, 1956: Graduated from Oklahoma State University, Stillwater, Oklahoma, with a Bachelor of Science Degree in Agriculture.

HONORARIUMS

Present: President, National Association of Wheatgrowers Foundation, the educational arm of the National Association of Wheatgrowers. The Foundation conducts market research and coordinated educational seminars for wheat growers and sponsors conferences on topics of importance to wheat producers, including transportation, research, and energy.

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[1] The financial disclosure report of Mr. Billington has been retained in the committee files.

1982-84: Board member, Federal Grain Inspection Service, Advisory Committee, U.S.D.A., Washington, D.C.

1981-82: President, National Association of Wheatgrowers. Membership includes seventeen States with over 63,000 members all of whom are wheat producers in the United States. This is an elected position.

1977-79: President, Oklahoma Wheatgrowers, an elected position. Member, Oklahoma Wheat Commission, appointed by the Governor, State of Oklahoma.

1979-81: Secretary-Treasurer and Vice-President, National Association of Wheatgrowers. Also, International Trade Representative for NAWG, 1983-1985.

1974: President, Rotary Club, Woodward, Oklahoma. President for two years of the fourteen State of Oklahoma Production Credit Associations Presidents group. Deacon and Treasurer, First Christian Church Woodward, Oklahoma.

PERSONAL INFORMATION

Educated in rural Oklahoma schools, the son of a tenant farmer.

Veteran of the United States Air Force. service during the Korean conflict.

Married to Delores June Southall, we have three daughters, all of whom hold at least one degree from an Oklahoma University, and two sons-in-law. Each of our two married daughters has one child, a four year old granddaughter and a one year old grandson. Our middle daughter has never married, she is a loan officer for a bank in Oklahoma City, Oklahoma.

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